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20 May 1971

Economic and Military Reconstruction in
North Vietnam During April 1971

Introduction

This monthly report reviews economic developments within North Vietnam, including the receipt of economic and military aid and the construction of military facilities. These developments are selected on the basis of their relevance to North Vietnam's ability to continue supporting the war in Indochina and to restore the economy, and thus to their possible effect on the country's desire or need to negotiate a settlement of the current conflict.

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Military

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2. The buildup in air defenses has been accompanied by increased aggressiveness on the part of units stationed in the Panhandle, including missile firings and reaction from MIG aircraft. US protective reaction strikes flown in response resulted in the destruction of two MIG-21's at Quan Lang airfield, the first damage to such aircraft since March 1970. Air operations at Quan Lang were resumed several days after the strike.

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Manpower

3. An upswing in military recruitment and conscription appears to be underway. Since around mid-March, the North Vietnamese press has been thick with articles of the kind noted during past induction drives.

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4. Not all the fresh inductees into the regular army are raw recruits; some evidently are to be upgraded from the local self-defense and militia forces. An item in the party daily newspaper on 15 April said that all young militia-men from three villages near Hanoi and many from the Haiphong area have signed up. This upgrading process long has been an important source of relatively experienced military personnel for the army.

5. The current drive could be designed in part to make up for Communist losses in eastern Laos and Cambodia this dry season. It also may signal North Vietnamese plans to step up the war effort in the coming months. In any event, the recent articles make it fairly clear that many of those now coming into the army are earmarked for duty outside North Vietnam. Because of the normal training requirements and the condition of the infiltration trails during the

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oncoming rainy season, the presence of the bulk of new troops is unlikely to be felt in Indochina before the second half of 1971.

Construction

6. Photography in April shows continued expansion of the petroleum pipeline system in the Panhandle. Two new sections totalling about seven miles were under construction southwest of Quang Khe, and generally paralleling highway route 137 which goes through the Ban Karai Pass. It seems probable that the new line will be connected to the existing pipeline system and that construction will continue westward across the border, resulting in pipeline traces passing through all three major entry corridors -- Ban Karai, Mu Gia, and the Western DMZ -- into southern Laos. This will add further to logistics capabilities by freeing trucks from carrying petroleum as well as considerably reducing the vulnerability of moving petroleum to bombing and to adverse weather.

7. A lack of photography outside of the Panhandle area precluded assessment of construction activity elsewhere in the country.

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Conclusions

18. North Vietnamese activities during April appear generally oriented toward continuing the current levels of military effort, or possibly even intensifying the military conflict. Air defense units displayed a heightened aggressiveness that was accompanied by continued augmentation of air defenses in the Panhandle and in southern Laos. These moves, along with the construction of a probable third pipeline leading from the Panhandle into Laos, strongly suggest an intent to maintain significant logistics efforts in the coming rainy season and to provide maximum protection for the shipment of military supplies. The upswing in conscription also indicates increased military preparations. Although the current recruitment drive could be designed in part to make up for Communist losses during the Lam Son cross-border operations, it may also signal plans for stepping up military activity in the coming months.

19. Assessment of developments in North Vietnam's domestic economy is hampered by a lack of information.

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